

# EXHIBIT 35

ARIK VAN ZANDT  
9/14/2022

Page 1

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

---

HUNTERS CAPITAL, LLC, et al., )  
  )  
Plaintiff,                          )  
  )  
vs.                                   ) No. 20-cv-00983-TSZ  
  )  
  )  
CITY OF SEATTLE,                  )  
  )  
Defendant.                          )

---

Zoom Video Deposition Upon Oral Examination

Of

ARIK VAN ZANDT

---

DATE: Wednesday, September 14, 2022

REPORTED BY: Mindy L. Suurs, CSR No. 2195

---

ROUGH & ASSOCIATES INC  
office@roughandassociates.com 206.682.1427 3515 SW Alaska St Seattle WA 98126

ARIK VAN ZANDT  
9/14/2022

Page 33

1 start there?

2 A. So what I did, I think, in simple terms so we can  
3 get on the same page here is, if Hunters had estimated that  
4 the vacancy of a particular unit would have been -- I'll  
5 use just easy numbers here -- would have been four months,  
6 I assumed in that but-for scenario that, due to the impacts  
7 of COVID, the vacancy would actually be six months. So  
8 again, they assumed four, I applied a 50 percent increase  
9 to that to get us to six months. And that's in the but-for  
10 scenario.

11 Q. Okay. And if, in fact, they were able to relet  
12 that property in three months, then there would have  
13 been -- then your six-month period wouldn't have any  
14 relevance; right?

15 MR. REILLY-BATES: Object to the form. Calls for  
16 speculation.

17 A. Under that hypothetical, it would not.

18 BY MR. CRAMER:

19 Q. Okay. All right. And did you -- did you apply  
20 any extended vacancy period due to the effects of -- of  
21 COVID as well?

22 A. I'm still misunderstanding. That's exactly what  
23 we're talking about.

24 Q. Well, okay, so the 50 percent budgeted vacancy  
25 period -- it accounts for the market impacts of COVID then;

ROUGH & ASSOCIATES INC

office@roughandassociates.com

206.682.1427 3515 SW Alaska St Seattle WA 98126

ARIK VAN ZANDT  
9/14/2022

Page 49

1 MR. REILLY-BATES: Objection. Foundation, vague.

2 A. Yeah, I'm not sure what you mean by "softening."

3 BY MR. CRAMER:

4 Q. So the real estate market -- was the real estate  
5 market in the same spot in the spring of 2020 after the  
6 onset of COVID that it was prior to COVID?

7 A. I don't know what you mean by "spot."

8 Q. Did COVID have any effect on commercial real  
9 estate -- on the commercial real estate market?

10 A. Well, that's what I've accounted for in my  
11 expectation that the vacancy rate would have been increased  
12 by 50 percent from what was otherwise expected without  
13 CHOP.

14 Q. So you've accounted for it -- you've assumed that  
15 it would take longer to rent; right?

16 A. That is correct.

17 Q. But you are also assuming that, once you do rent  
18 it, you would receive the same rent that existed under  
19 leases signed prior to COVID; right?

20 A. Yes, assuming the same rental rate itself.

21 Q. And what is that assumption based on?

22 A. It's based on my -- my market research of the  
23 fact that the rates themselves were not impacted, but this  
24 wait-and-see approach caused some entities to I guess delay  
25 the signing of a lease, but the rates themselves were

ROUGH & ASSOCIATES INC

office@roughandassociates.com

206.682.1427 3515 SW Alaska St Seattle WA 98126

ARIK VAN ZANDT  
9/14/2022

Page 50

1 unaffected.

2 Q. Okay. So it's your opinion that commercial real  
3 estate rates were not affected by COVID?

4 MR. REILLY-BATES: Object to the form,  
5 argumentative, misstates witness's prior testimony.

6 A. It's my understanding that the rates themselves  
7 were not affected, correct.

8 BY MR. CRAMER:

9 Q. And that understanding is based on what?

10 MR. REILLY-BATES: Objection, asked and answered.

11 A. I've already answered that question.

12 Q. Please answer it again.

13 MR. REILLY-BATES: Same objection.

14 A. You want me to answer the same question again?

15 BY MR. CRAMER:

16 Q. Yes.

17 A. Okay. It's -- again, it's based on the market  
18 research and the expectation from those in the market, such  
19 as, you know, Hunters, who is in this market, that the rent  
20 rates would have stayed the same.

21 Q. What market research did you do, other than  
22 talking to Hunters?

23 A. I believe I reference a specific report within  
24 my -- my report as well.

25 Q. And that's a Colliers report from fourth quarter

ROUGH & ASSOCIATES INC

office@roughandassociates.com

206.682.1427 3515 SW Alaska St Seattle WA 98126

ARIK VAN ZANDT  
9/14/2022

Page 203

1 REPORTER'S CERTIFICATE  
2

3 I, Mindy L. Suurs, the undersigned Certified Court  
4 Reporter, pursuant to RCW 5.28.010, authorized to  
5 administer oaths and affirmations in and for the State of  
6 Washington, do hereby certify:

7 That the foregoing testimony of ARIK VAN ZANDT  
8 was given before me at the time and place stated therein  
9 and thereafter was transcribed under my direction;

10 That the sworn testimony and/or proceedings were by me  
11 stenographically recorded and transcribed under my  
12 supervision, to the best of my ability;

13 That the foregoing transcript contains a full, true,  
14 and accurate record of all the sworn testimony and/or  
15 proceedings given and occurring at the time and place  
16 stated in the transcript;

17 That the witness, before examination, was by me duly  
18 sworn to testify the truth, the whole truth, and nothing  
19 but the truth;

20 That I am not a relative, employee, attorney, or  
21 counsel of any party to this action or relative or employee  
22 of any such attorney or counsel and that I am not  
23 financially interested in the said action or the outcome  
24 thereof;

25 DATE: September 18, 2022

*Mindy L. Suurs*

Mindy L. Suurs  
Certified Court Reporter #2195



ROUGH & ASSOCIATES INC

office@roughandassociates.com

206.682.1427 3515 SW Alaska St Seattle WA 98126